



ARIZONA STATE SENATE
Fifty-Fifth Legislature, First Regular Session

AMENDED
FACT SHEET FOR H.B. 2298

medical marijuana; research; grants

Purpose

Directs the Arizona Biomedical Research Centre (ABRC) to provide grants from monies in the Medical Marijuana Fund (Fund) for approved clinical trials. Directs to the Department of Health Services (DHS) to provide research grants and to affix warning labels on medical marijuana packaging. Contains requirements for enactment for initiatives and referendums (Proposition 105).

Background

In 2010, Arizona voters approved the Arizona Medical Marijuana Act (AMMA) to establish a regulatory system, overseen by DHS, that allows a nonprofit medical marijuana dispensary to dispense a permissible amount of medical marijuana to a qualifying patient or the qualifying patient's designated caregiver ([A.R.S. § 36-2801](#)).

DHS administers the Fund which consists of application and renewal fees from dispensaries, civil penalties and private donations received pursuant to the AMMA. The Director of DHS is authorized to accept and spend private gifts, donations, contributions and devises to assist in carrying out the requirements of the AMMA. Fund monies are continuously appropriated and do not revert to the state General Fund at the end of a fiscal year. According to the Joint Legislative Budget Committee, the year-end Fund balance in FY 2020 was \$92,503,800 ([A.R.S. § 36-2817](#); [JLBC Baseline](#)).

Statute requires DHS to advance research relating to: 1) the causes, epidemiology and diagnosis of diseases; 2) the formulation of cures for diseases; and 3) the development of medically accepted treatment and prevention of diseases, including the discovery and development of new drugs. ABRC identifies and supports innovative biomedical research to improve the health of Arizona residents. Funding is provided through a competitive grant process to accelerate promising research toward clinical testing and breakthroughs ([A.R.S. § 36-272](#); [DHS](#)).

H.B. 2298 authorizes the transfer of up to \$5 million annually for five consecutive years from the Fund to ABRC for clinical trial grants and the transfer of \$2 million from the Fund to DHS to provide research grants.

Provisions

1. Requires ABRC to provide competitive grants from Fund monies for marijuana clinical trials approved by the Food and Drug Administration for:
 - a) evaluating the safety and efficacy of using marijuana in humans; and
 - b) researching the impacts of marijuana interactions with prescription drugs, nonprescription drugs and illicit drugs.

2. Allows ABRC to provide up to \$5 million from the Fund annually for five consecutive years to administer and award competitive grants for clinical trials.
3. Requires clinical trials to be:
 - a) conducted by Arizona-based researchers from nonprofit organizations or universities;
 - b) approved by the Food and Drug Administration and an institutional review board; and
 - c) publishable in peer-reviewed medical and public health journals.
4. Requires ABRC to prioritize randomized controlled clinical trials that study the treatment of autism, epilepsy, post-traumatic stress disorder and pain.
5. Immunizes a person who receives a clinical trial grant and their employees from being charged or prosecuted for medical marijuana possession while working on the clinical trial.
6. Prohibits ABRC from using more than five percent of monies from the Fund for administrative purposes.
7. Makes technical and conforming changes.
8. Requires for enactment the affirmative vote of at least three-fourths of the members of each house of the Legislature (Proposition 105).
9. Becomes effective on the general effective date.

Amendments Adopted by Committee

1. Directs DHS to provide research grants for the meta-analyses on the correlation between marijuana and specified subjects and establishes related requirements and exemptions.
2. Transfers \$2 million from the Fund to DHS to provide research grants.
3. Requires DHS to develop and affix specified warning labels to medical marijuana packaging.

Amendments Adopted by the Committee of the Whole

1. The committee amendment was withdrawn.
2. Removes the directive to ABRC to prioritize clinical trials that study the use of marijuana while pregnant and breastfeeding.

House Action

HHS	1/25/21	DP	9-0-0-0
3 rd Read	2/23/21		58-1-1

Senate Action

HHS	3/24/21	DPA	6-2-0
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Prepared by Senate Research

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